

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6849

BILL NUMBER: HB 1226

NOTE PREPARED: Dec 29, 2003

BILL AMENDED:

SUBJECT: Mandated Health Benefit Option.

FIRST AUTHOR: Rep. Behning

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill allows, under certain circumstances, an accident and sickness insurer or a health maintenance organization to offer a policy or contract that does not include all state-mandated health benefits.

Effective Date: July 1, 2004.

Explanation of State Expenditures: The proposal pertains to employers that employ not more than 50 employees, so it would not have an impact on the state.

Explanation of State Revenues:

Explanation of Local Expenditures: The proposal could affect expenditures of those local units and school corporations that employ not more than 50 employees and that purchase group insurance or HMO coverage. The impact will depend on the number of employers opting to not purchase the mandated coverage. It is unknown if local units would absorb any savings or pass the savings on to employees, as cost sharing of health benefit premiums varies widely by locality.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Local units of government and school corporations that employ not more than 50 employees and that purchase group insurance or HMO coverage .

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.